

# **FY16 REVENUE AND EXPENDITURE 2<sup>ND</sup> QUARTER UPDATE**

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Board of Supervisors Work Session  
January 26, 2016

# Agenda

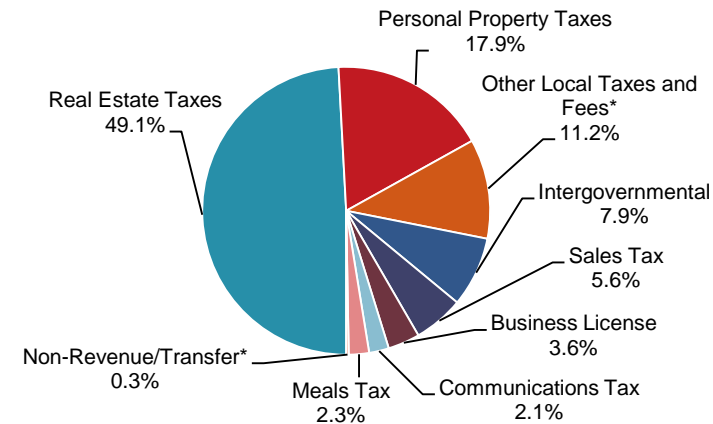
- FY16 Revenue Update
- FY16 Expenditure Update

# **FY16 REVENUE UPDATE**

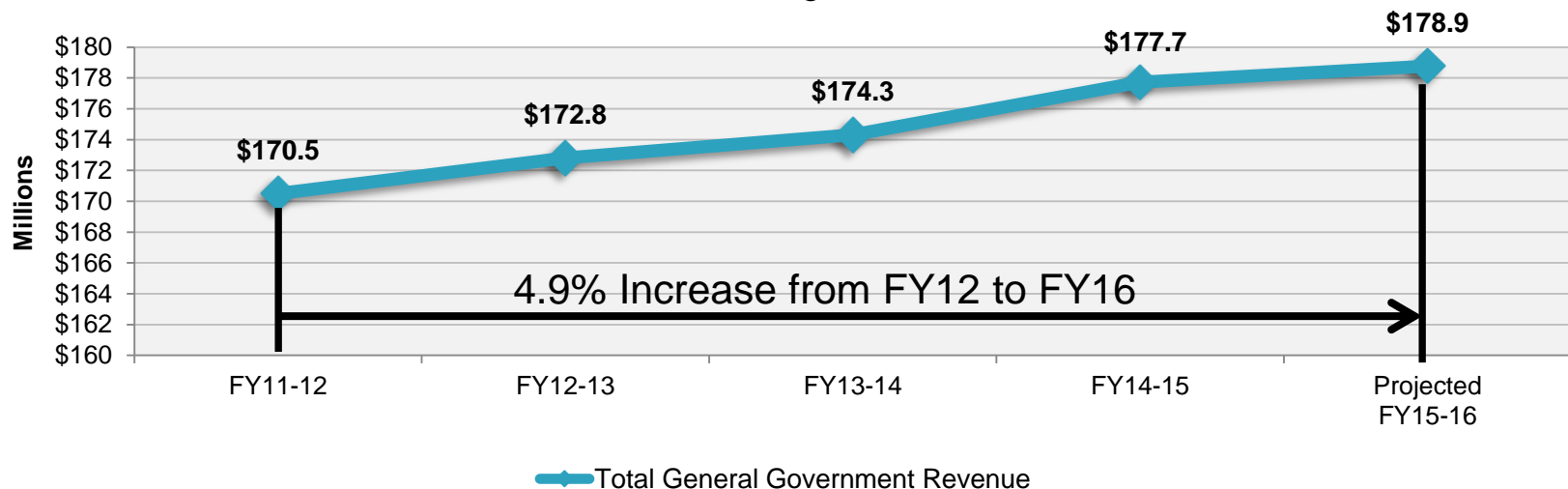
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# FY16 General Government Revenue Budget

General Government Revenue Budget	
Total FY16 Adopted Revenue Budget	\$178,780,751
Budget Amendments through December 31 <sup>st</sup> (Board Approved)	\$92,798
<b>Total FY16 Amended Revenue Budget</b>	<b>\$178,873,549</b>



Total General Government Revenue  
FY2011 through FY2016



# 2<sup>nd</sup> Quarter Actual Revenue Comparison

(Through December 31<sup>st</sup>)

Category	2 <sup>nd</sup> Quarter FY15	2 <sup>nd</sup> Quarter FY16	Difference YTD	% Difference YTD	FY17 Future Outlook
Real Estate	\$42,507,178	\$43,117,554	\$610,376	1.44%	Slight Growth (1%-2%)
Personal Property	1,829,321	1,716,705	(112,616)	-6.16%	Moderate Growth (3%)
Other Local Taxes and Fees*	8,519,532	8,637,255	117,723	1.38%	Slight-to-Moderate Growth (2%-3%)
Intergovernmental	6,656,375	6,940,815	284,440	4.27%	Slight-to-Moderate Growth (2%-3%)
Sales Tax	4,010,869	4,080,362	69,493	1.73%	Slight-to-Moderate Growth (2%-3%)
Business License	328,055	307,247	(20,808)	-6.34%	Slight Growth (1%-2%)
Communications Tax	1,655,708	1,589,678	(66,030)	-3.99%	Flat (0%)
Hotel/Motel Tax	391,320	497,120	105,800	27.04%	High Growth (>4%)
Meals	1,647,894	1,779,709	131,815	8.00%	Moderate-to-High Growth (3%-4%)
Non-Revenue/Transfers	32,713	20,000	(12,713)	-38.86%	N/A
<b>Total</b>	<b>\$67,578,965</b>	<b>\$68,686,445</b>	<b>\$1,107,480</b>	<b>1.64%</b>	<b>Slight-to-Moderate Growth (1%-2%)</b>

\***Note:** Other Local Taxes includes the following categories: Other Property Taxes, Consumer Utility, Bank Franchise, Motor Vehicle License, Recordation and Conveyance, Other Local Taxes, Permits, Fees, & Licenses, Fines and Forfeitures, Use of Money and Property, Charges for Services, Recovered Costs, and Miscellaneous Revenue

# Revenue Outlook

- Real Estate
  - Trending as projected based on assessments
- Personal Property
  - Current collections represent prorated amounts
  - Overall trend is highly positive; new and used car prices still at or near all-time highs
- Sales Tax
  - Performing as projected
  - Will continue to be monitored
- Meals Tax
  - Performing significantly better than expected
  - More data needed to validate trend

# **FY16 EXPENDITURE UPDATE**

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# 2<sup>nd</sup> Quarter Actual Expenditures

## General Government

Category	FY16 Amended Budget	FY16 Actual Expenditure	Balance	% of Budget Spent
Personnel	\$56,117,967	\$28,158,801	\$27,959,166	50.18%
Operating	29,458,999	15,108,459	14,350,540	51.29%
Capital	1,478,388	747,723	730,664	50.58%
Transfers	94,194,050	40,800,890	53,393,160	43.32%
<b>Total</b>	<b>\$181,249,404</b>	<b>\$84,815,872</b>	<b>\$96,433,532</b>	<b>46.80%</b>

- Management and Budget working closely with departments to monitor and manage expenditures
- Overall, departments are on track to meet operating budgets



# FY16 Revenue and Expenditure Reconciliation

Revenue	Amount
<b>Total Revenue Budget</b>	<b>\$178,873,549</b>

Expenditure	Amount
Total Expenditure Budget	\$181,249,404
Capital Expenditures (FY15-16 carryover)	(\$649,431)
Revenue Surplus (FY15-16 carryover)	(\$1,631,084)
Encumbrances (FY15-16 carryover)	(\$595,341)
<b>Total Adjusted Expenditure Budget</b>	<b>\$178,873,549</b>

# FY16 Personnel Projections – 2<sup>nd</sup> Quarter

Category	Year-End Projection
Salary and % Based Benefits	\$1,612,641
Overtime	(115,031)
Part-Time	87,739
Salary Lapse	(952,000)
<b>Projected Year-End Balance</b>	<b>\$633,350</b>

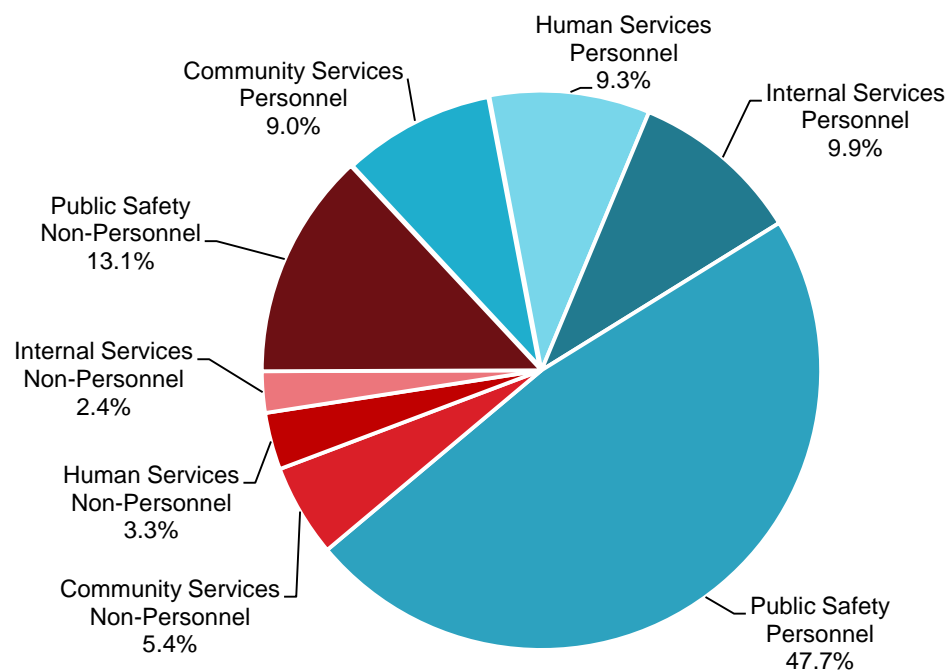
**Year-to-Date Savings**  
**\$1,242,598**

- Year-to-date savings result of vacancies in new positions and top-level management
- Rate of accumulated savings has decreased with each successive payroll
- Year-end balance will likely be between \$400,000 and \$600,000

# FY16 Personnel Projections – 2<sup>nd</sup> Quarter

- Budgeted Salary Lapse of \$952,000
  - Based off of expected normal attrition rate of 3%
    - Due to retirements, terminations, time lapse between vacancies, etc.
  - Allows for anticipated savings in personnel to be used for operating expenses
- OMB staff tracks and updates personnel projections after each pay period

**FY16 Functional Team Expenditure Budgets**  
**\$72,189,985**



**Personnel: 75.8%**  
**Non-Personnel: 24.2%**

# FY16 General Government Expenditures

Functional Team	FY15-16 Budget	FY15-16 YTD	Remaining Balance	% Spent
Community Services	\$10,332,845	\$4,950,333	\$5,382,512	47.91%
Human Services	9,078,352	4,597,753	4,480,598	50.65%
Internal Services	8,861,690	4,632,219	4,229,471	52.27%
Public Safety	43,917,099	22,388,970	21,528,129	50.89%
Other*	6,107,163	2,870,233	3,263,930	47.00%
Non-Departmental/Transfers	102,952,255	45,376,364	57,575,891	44.08%
<b>Total General Government</b>	<b>\$181,249,404</b>	<b>\$84,815,872</b>	<b>\$96,433,532</b>	<b>46.80%</b>

- OMB staff works in collaboration with departments on a monthly expenditure tracking tool to help manage expenditures

\* Includes Judicial Administration, Public Health, WVRJA Component, VA Cooperative Extension, Local Agency Contributions

# Next Steps

- Office of Management and Budget continues to monitor revenue and expenditures and update projections
- Revenue Team will finalize FY 2016-2017 revenue projections at end of January
- Preliminary FY 2016-2017 revenue projections will be presented to the Board at February 9<sup>th</sup> work session
  - In advance of advertisement to establish Maximum Tax Rate (March 22<sup>nd</sup>)
- County Administrator's Proposed FY 2016-2017 Budget presentation set for March 8<sup>th</sup>

# QUESTIONS

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